

Memorandum

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To: Robert A. Laurie, Presiding Member
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From: California Energy Commission - Lance Shaw
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Energy Commission Project Manager

Subject: ROSEVILLE ENERGY FACILITY (01-AFC-14)
STATUS REPORT #2

Energy Commission and Western Area Power Administration (Western) staffs conducted a Data Response, Issues, and Data Request Workshop for the Roseville Energy Facility (REF) at the Woodcreek Golf Course Club House on January 28, 2002 from 5 – 9 p.m. The workshop was attended by representatives of the applicant, concerned members of the public, and representatives of both intervenors, Sacramento Municipal Utility District (SMUD) and California Unions for Reliable Energy (CURE). The issue areas discussed included Project Description, Air Quality, Biological Resources, Land Use, Noise, Traffic and Transportation, Transmission System Engineering, and Water and Soil Resources. The following is staff's progress in resolving the project's significant issues.

Energy Commission and Western staffs are jointly reviewing this project. Western, as the lead federal agency, assures that the project complies with National Environmental Policy Act (NEPA) requirements.

Project Overview

At the time of the workshop, the gas supply line requirements' study from PG&E had not been docketed and made available to staff. Instead of the 5-mile gas supply line presented in the Application for Certification (AFC), the study shows 35 to 41 miles of gas pipeline will need to be installed.

Furthermore, the electrical transmission System Impact Study was docketed the day before the workshop. Without having these key pieces of information available at the time of the workshop, staff was unable to address many new issues that have been raised following the receipt of these documents. For example, the Executive Summary of the applicant's Electrical System Impact Study shows that major transmission system upgrades are required for the project to be interconnected into Western Area Power Administration's (Western) system. Energy Commission staff is studying the extent of electrical system upgrades required. Staff will continue to review the gas line and transmission studies and submit to the applicant further data requests, as necessary, to clarify the project description before further analysis can be conducted.

Air Quality

At the workshop, the air offset package was discussed between the applicant, staff, and the Placer County Air Pollution Control District (PCAPCD). The applicant does not have a

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complete package of emission reduction credits (ERC) ready to be evaluated and has not provided sufficient funding for the PCAPCD staff to charge planning and engineering time to prepare the Preliminary Determination of Compliance (PDOC). As a result, the earliest that the PDOC would probably be issued is late March or early April.

In addition to ERCs within Placer County Air Quality Management District (AQMD), ERCs are being transferred into Placer County from possibly three other AQMDs. They are Butte County AQMD, Yolo-Solano AQMD, and Tehama County AQMD. In the case of inter-district transfers, both air management boards (those transferring credits out, and Placer County AQMD) must approve the transfers.

Staff will likely have additional data requests especially related to whether or not the project can meet best available control technology (BACT) for oxides of nitrogen (NOx) and guidelines for ammonia slip emissions. (Ammonia slip is the unreacted portion of ammonia injected into the heat recovery steam generators (HRSG) stacks to reduce NOx emissions.)

Biological Resources

The critical issues in evaluating the biological impacts of the project involve the definitions of the linear facilities. Energy Commission and Western staff needs a complete biological assessment that reflects the project as modified by the applicant's most recent filings. This would include the gas pipeline and electrical transmission system upgrades.

Land Use

There is significant planned growth in the immediate vicinity of the proposed power plant site. The Roseville City Council has requested that the potential developers, Signature Properties and West Park Associates, prepare a Feasibility Study for the area around the power plant site. The Roseville City Planning Staff anticipates that the results of the study will be presented to the City Council in March 2002. If the City Council approves the study in March, developers may be allowed to proceed through the Environmental Impact process, which could take years before final approvals could be initiated for development of the project(s). This is referred to as the West Roseville Specific Plan.

Members of the public and the Roseville Joint Union School District have indicated that possibly three or more schools (elementary, middle, senior high) are proposed in the planned development. The proposed power plant has raised concerns from the public regarding hazardous material deliveries, natural gas ruptures, and air quality/public health items.

During the workshop, staff addressed concerns about the planned housing and school growth in the immediate area of the proposed power plant site. Patty Dunn, City of Roseville, Community Development Director, addressed the plan by the City to annex this approximately 3,100 acres described in the West Roseville Specific Plan. Ms. Dunn

restated the fact that the existing infrastructure (roadway system, sewer system capacity, drainage, etc.) has not been designed to handle this demand.

Energy Commission and Western staffs met with the developers, Signature Properties and Westpark Associates, and their attorney at the Energy Commission on February 8, 2002 to hear the developers' plans. Staff discussed briefly the Energy Commission's siting project evaluation process.

Outstanding Data Responses

Staff has issued 156 data requests to the applicant. Staff anticipates issuing new requests in the areas of Air Quality, Noise, Traffic and Transportation, and Transmission System Engineering. To date, the applicant has provided partial responses to many of the data requests. Staff will be re-issuing those data requests not adequately answered by the applicant. Staff relies on the applicant's timely responses to its requests in order for staff to complete its analysis in a timely manner.

Future Workshops

Staff plans to conduct another data response, data request, and issues workshop prior to the mid-March Committee Status Conference.

cc: Roseville Energy Facility Proof of Service list